STATE OF KANSAS

Department of Health and Environment

Notice of Hearing on Proposed Kansas Administrative Regulations

The Kansas Department of Health and Environment (KDHE), Division of Environment, Bureau of Air, will conduct a public hearing at 10 a.m. Thursday, November 1, in the Flint Hills Conference Room, third floor, Curtis State Office Building, 1000 S.W. Jackson, Topeka, to consider the adoption of proposed amended air quality regulations K.A.R. 28-19-735, 28-19-750, and 28-19-750a to incorporate changes to the federal regulations incorporated therein. A summary of the proposed regulations and the estimated economic impact and environmental benefit follows:

Summary of Regulations:

K.A.R. 28-19-735. The proposed amendments will adopt by reference the provisions of 40 C.F.R. Part 61, National Emission Standards for Hazardous Air Pollutants (NESHAP), through July 1, 2010. The Part 61 hazardous air pollutant (HAP) regulations establish standards to limit the emissions of specific HAPs. The state's authority currently exists for the Part 61 rules promulgated through June 30, 2008. This proposed regulation is necessary to maintain the state's authority under existing delegation agreements to administer federal regulations and to ensure Kansas air quality regulations are consistent with federal requirements.

K.A.R. 28-19-750. The proposed amendments will adopt by reference the provisions of 40 C.F.R. Part 63, NESHAP, through July 1, 2010. Prior to the 1990 Clean Air Act Amendments (CAAA), section 112 of the Clean Air Act directed the United States Environmental Protection Agency (USEPA) administrator to identify HAPs for regulation. Under this, a limited number of regulations were developed to address specific compounds

originating in certain industries. In the 1990 CAAA, Congress established a list of HAPs for which the administrator was to develop controls. These are now administered under 40 C.F.R. Part 63, which the state implements in 28-19-750. The state's authority currently exists for the 40 C.F.R. Part 63 rules promulgated through June 30, 2008. This proposed regulation is necessary to maintain the state's authority under existing delegation agreements to administer federal regulations and to ensure Kansas air quality regulations are consistent with federal requirements.

K.A.R. 28-19-750a. The proposed amendments will adopt by reference 40 C.F.R. Part 65, Consolidated Federal Air Rule, through July 1, 2010. This federal regulation consolidates different requirements for the Synthetic Organic Chemical Manufacturing Industry (SOCMI) to enable easier compliance for facilities. Currently, the state's authority only exists for the 40 C.F.R. Part 65 rules promulgated through June 30, 2008. This proposed regulation is necessary to maintain the state's authority under existing delegation agreements to administer federal regulations and to ensure Kansas air quality regulations are consistent with federal requirements.

Economic Impact:

The proposed regulations are not anticipated to result in additional costs to KDHE, other state agencies, or the private sector because the impacted facilities are already subject to the costs associated with the current federal standards which KDHE is proposing to adopt by reference.

Environmental Benefit:

As part of its adoption of the federal regulations, the USEPA undertook scientific studies to determine the health effects of various HAPs. These amendments are necessary to protect public health, to maintain the state's authority under existing delegation agreements to administer the federal regulations, to ensure that the Kansas air quality regulations are current and consistent

with the federal requirements, and to eliminate a dual regulatory structure between USEPA and KDHE.

The time period between the publication of this notice and the scheduled hearing constitutes a 60-day public comment period for the purpose of receiving written public comments on the proposed regulatory action. All interested parties may submit written comments prior to 5 p.m. on Friday, November 2, to Miles Stotts, Kansas Department of Health and Environment, Bureau of Air, 1000 S.W. Jackson, Suite 310, Topeka, 66612, by fax to (785) 296-7455, or by e-mail to mstotts@kdheks.gov. During the hearing, all interested parties will be given a reasonable opportunity to present their comment orally on the proposed regulatory action as well as an opportunity to submit their written comment. In order to give all parties an opportunity to present their comment, it may be necessary to require each participant to limit any oral presentation to an appropriate time frame.

Copies of the proposed regulations and the corresponding economic impact and environmental benefit statement may be obtained from the KDHE Bureau of Air by contacting Miles Stotts at (785) 296-1615 or mstotts@kdheks.gov. Copies may also be viewed at the following locations:

- Department of Air Quality, Unified Government of Wyandotte County - Kansas City, Kansas, Health Department, 619 Ann Ave., Kansas City, Kansas
- Johnson County Environmental Department, 11811 S. Sunset, Suite 2700, Olathe
- Curtis State Office Building, 1000 S.W. Jackson, Suite 310, Topeka
- KDHE Northeast District Office, 800 W. 24th St., Lawrence
- KDHE Northwest District Office, 2301 E. 13th St., Hays
- KDHE North Central District Office, 2501 Market Place, Suite D, Salina

- KDHE South Central District Office, 130 S. Market, Suite 6050, Wichita
- KDHE Southeast District Office, 1500 W. 7th St., Chanute
- KDHE Southwest District Office, 302 W. McArtor Rd., Dodge City
- Wichita-Sedgwick County Dept. of Community Health, 1900 E. 9th St., Wichita

The material also is available on the Bureau of Air's website at http://www.kdheks.gov/bar/publicnotice.html. Questions pertaining to the proposed regulations should be directed to Miles Stotts.

Any individual with a disability may request accommodation in order to participate in the public hearing and may request the proposed regulations and the economic impact and environmental benefit statement in an accessible format. Requests for accommodation should be made at least five working days in advance of the hearing by contacting Pat Bottenberg at (785) 291-3278.

Robert Moser, M.D.

Secretary of Health and Environment

28-19-735. National emission standards for hazardous air pollutants. (a) 40 C.F.R. part 61 and its appendices, as in effect on July 1, ~~2008~~ 2010, are adopted by reference except for the following:

(1) The following sections in subpart A:

(A) 61.04;

(B) 61.16; and

(C) 61.17;

(2) subpart B;

(3) subpart H;

~~(3)~~ (4) subpart I; ~~and~~

~~(4)~~ (5) subpart K;

(6) subpart Q;

(7) subpart R;

(8) subpart T; and

(9) subpart W.

(b) Unless the context clearly indicates otherwise, the following meanings shall be given to these terms as they appear in 40 C.F.R. part 61:

(1) The term ''administrator'' shall mean the secretary or the secretary's authorized representative.

(2) The term ''United States environmental protection agency'' and any term referring to the United States environmental protection agency shall mean the department.

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(3) The term ''state'' shall mean the state of Kansas. (Authorized by K.S.A. ~~2009~~ 2011 Supp. 65-3005; implementing K.S.A. 65-3008 and 65-3010; effective Jan. 23, 1995; amended June 6, 1997; amended June 11, 1999; amended Dec. 3, 2004; amended June 15, 2007; amended Nov. 5, 2010; amended P-_____.)

28-19-750. Hazardous air pollutants; maximum achievable control technology.

(a) 40 C.F.R. part 63 and its appendices, as in effect on July 1, ~~2008~~ 2010, are adopted by reference, except for the following:

(1) The following sections in subpart A:

(A) 63.6(f)(1), (g), ~~and~~ (h)(1), and (h)(9);

(B) 63.7(e)(2)(ii) and (f);

(C) 63.8(f);

(D) 63.10(f);

(E) 63.12;

~~(C)~~ (F) 63.13;

~~(D)~~ (G) in 63.14(b)(27), the phrase ''and table 5 to subpart DDDDD of this part'';

~~(E)~~ (H) 63.14(b)(35), (39) through (53), and (55) through (62);

~~(F)~~ (I) in 63.14(i)(1), the phrase ''table 5 to subpart DDDDD of this part''; and

~~(G)~~ (J) 63.15;

(2) ~~the following sections in~~ subpart B~~:~~ ;

~~(A) 63.40;~~

~~(B) 63.41;~~

~~(C) 63.42;~~

~~(D) 63.43; and~~

~~(E) 63.44;~~

(3) subpart C;

(4) subpart D;

(5) subpart E; ~~and~~

(6) subpart ZZZZ;

~~(4)~~ (7) subpart DDDDD;

(8) subpart JJJJJ; and

(9) subpart KKKKK.

(b) 40 C.F.R. part 63, subpart ZZZZ, as in effect on July 1, 2009, is adopted by reference.

(c) Unless the context clearly indicates otherwise, the following meanings shall be given to these terms as they appear in 40 C.F.R. part 63:

(1) The term ''administrator'' shall mean the secretary or the secretary's authorized representative.

(2) The term ''United States environmental protection agency'' and any term referring to the United States environmental protection agency shall mean the department.

(3) The term ''state'' shall mean the state of Kansas. (Authorized by K.S.A. ~~2009~~ 2011 Supp. 65-3005; implementing K.S.A. 65-3008 and 65-3010; effective Jan. 23, 1995; amended June 6, 1997; amended June 11, 1999; amended Dec. 3, 2004; amended June 15, 2007; amended Nov. 5, 2010; amended P-_____.)

28-19-750a. Consolidated federal air regulations; synthetic organic chemical manufacturing industry. (a) 40 C.F.R. part 65 and its appendices, as in effect on July 1, ~~2008~~ 2010, are adopted by reference except for the following sections in subpart A:

(1) 65.9;

(2) 65.10; and

(3) ~~65.12; and~~

~~(4)~~ 65.14.

(b) Unless the context clearly indicates otherwise, the following meanings shall be given to these terms as they appear in 40 C.F.R. part 65:

(1) The term ''administrator'' shall mean the secretary or the secretary's authorized representative.

(2) The term ''United States environmental protection agency'' and any term referring to the United States environmental protection agency shall mean the department.

(3) The term ''state'' shall mean the state of Kansas. (Authorized by K.S.A. ~~2009~~ 2011 Supp. 65-3005; implementing K.S.A. 65-3008 and 65-3010; effective Dec. 3, 2004; amended Nov. 5, 2010; amended P-_____.)

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Kansas
Department of Health and Environment

Division of Environment

Bureau of Air

REGULATORY IMPACT STATEMENT CONSISTING OF:

I. ENVIRONMENTAL BENEFIT STATEMENT

AND

II. ECONOMIC IMPACT STATEMENT

Pursuant to K.S.A. 77-416

PROPOSED AMENDMENT OF PERMANENT AIR QUALITY REGULATIONS:

K.A.R. 28-19-735, 28-19-750, & 28-19-750a

February 8, 2012

Background of Proposed Amendments

The Bureau of Air, within the Kansas Department of Health and Environment (KDHE), is proposing to amend certain Kansas Air Quality Regulations. Specifically, amendments are proposed for the following Kansas Administrative Regulations (K.A.R.):

- K.A.R. 28-19-735, "National Emission Standards for Hazardous Air Pollutants" (NESHAP) – adoption by reference of Title 40 of the Code of Federal Regulations, Part 61 (40 C.F.R. Part 61);
- K.A.R. 28-19-750, "Hazardous Air Pollutants; Maximum Achievable Control Technology" (MACT) – adoption by reference of 40 C.F.R. Part 63; and
- K.A.R. 28-19-750a, "Consolidated Federal Air Regulations; Synthetic Organic Chemical Manufacturing Industry" – adoption by reference of 40 C.F.R. Part 65.

Under delegated authority from the Environmental Protection Agency (EPA), the state of Kansas is the primary authority to implement and enforce federal standards that are adopted into the state regulations. Currently, this state authority exists only for the Part 61, Part 63, and Part 65 federal rules promulgated through July 1, 2008, the date of the last adoption of these sets of federal regulations by Kansas. Kansas facilities, however, are subject to the provisions of the federal rules adopted after these dates, which the EPA has full authority to implement and enforce. The state must adopt the current federal regulations to gain the primary enforcement authority to administer the provisions of the standards. The purpose of the proposed amendments is to incorporate the federal changes to the standards since the last updates of K.A.R. 28-19-735, K.A.R. 28-19-750, and K.A.R. 28-19-750a. Once the state complies with the terms of the delegation agreement and adopts the proposed changes, Kansas will be granted the authority to administer the federal provisions of the Part 61, Part 63, and Part 65 standards as effective and published in the Code of Federal Regulations on July 1, 2010.

K.A.R. 28-19-735: National Emission Standards for Hazardous Air Pollutants (NESHAP)

K.A.R. 28-19-735 adopts by reference and thereby implements the federal provisions of 40 C.F.R. Part 61, NESHAP, as state requirements under the Kansas Air Quality Act. The Part 61 hazardous air pollutant (HAP) regulations establish standards to limit the emissions of specific HAPs. HAPs are specifically-defined compounds or elements that are known or suspected to

cause cancer or other serious health effects, such as reproductive effects or birth defects, or adverse environmental effects.

K.A.R. 28-19-750: Hazardous Air Pollutants; Maximum Achievable Control Technology (MACT)

Prior to the 1990 Clean Air Act Amendments (CAAA), the authorizing statute, section 112 (42 U.S.C. § 7412), directed the EPA Administrator to identify HAPs for regulation. Under this, a limited number of regulations were developed to address specific compounds originating in certain industries. In the 1990 CAAA, Congress established a list of 189 HAPs for which the Administrator was to develop controls. These are now administered under 40 C.F.R. Part 63, which the state implements in K.A.R. 28-19-750, Hazardous Air Pollutants; Maximum Achievable Control Technology.

K.A.R. 28-19-750a: Consolidated Federal Air Rule

K.A.R. 28-19-750a adopts by reference 40 C.F.R. Part 65, Consolidated Federal Air Rule, a federal rulemaking first published on December 14, 2000, that consolidated different requirements applicable to the Synthetic Organic Chemical Manufacturing Industry (SOCMI) to simplify requirements and enable facilities to comply more easily. This rule emerged from a federal initiative to streamline the compliance process for industry sectors affected by multiple rules. The Consolidated Federal Air Rule is a voluntary option for complying with the SOCMI requirements, but it does not alter the applicability of referencing subparts in 40 C.F.R. Parts 60, 61, and 63.

Federal Provisions Amended or Promulgated

The proposed regulations contain four revisions to 40 C.F.R. Part 61 and one revision to Part 65. EPA's focus has shifted principally to the Part 63 standards for source categories as the most effective means of reducing HAP emissions. All of the rules and amendments being proposed for adoption fall under the Part 63 (MACT) standards adopted in K.A.R. 28-19-750 with one including amendments falling under the Part 65 standards adopted in K.A.R. 28-19-750a. There were four revisions to section 61.04 of 40 C.F.R. Part 61 that are not delegable to the states and are not proposed for adoption by reference. Although these non-delegable amendments are not proposed for adoption, an amendment to K.A.R. 28-19-735 is proposed to update the adoption by

reference of 40 C.F.R. Part 61 as in effect on July 1, 2010, to maintain current reference along with the adoption of Parts 63 and 65. Amendments to 40 C.F.R. Part 63 Subpart ZZZZ for Reciprocating Internal Combustion Engines (RICE) were published in the *Federal Register*; however, they are not being proposed for adoption by reference in the Kansas Air Quality Regulations at this time. These amendments are being considered for adoption by reference and will be addressed along with regulations for New Source Performance Standards (NSPS), which also include standards for stationary internal combustion engines. Please refer to Appendix C for information on the RICE MACT regulations.

The following table lists the 40 C.F.R. Part 63 provisions (one including Part 65) that have been amended or promulgated since July 2, 2008, and up to July 1, 2010, with the exception of provisions related to delegation status that are not delegable to the states. Located in Appendix B is a list of Part 61 and Part 63 subparts and amendments that are not delegable rules and are not being proposed for adoption by reference in the Kansas Air Quality Regulations.

The table below provides the following information in chronological order: the part or subpart of the rule being regulated, the *Federal Register* citation and publication date, the source that is regulated, and whether applicable to major sources or area sources. (** Indicates an amendment not proposed for adoption at this time. Further discussion is available in Appendix C.)

Part/Subpart	Federal Register Citation/Date	Sources Regulated	M = Major A = Area
63.320, 63.323-63.324 Subpart M	73 FR 39871 July 11, 2008	Dry Cleaners	M, A
63.2346, 63.2358, 63.2390, Table 10 Subpart EEEE	73 FR 40977 July 17, 2008	Organic Liquids Distribution (Non-Gasoline)	M
63.7184, 63.7195 Subpart BBBBB (5B)	73 FR 42529 July 22, 2008	Semiconductor Manufacturing	M
63.14 Subpart A; 63.11514-63.11523, Tables 1 & 2 Subpart XXXXXX (6X)	73 FR 42978 July 23, 2008	Nine Metal Fabrication and Finishing Area Source Categories	A
63.1206-63.1207, 63.1210, 63.1215, 63.1219-63.1220 Subpart EEE	73 FR 64068 October 28, 2008	Hazardous Waste Combustors	M, A

Part/Subpart	Federal Register Citation/Date	Sources Regulated	M = Major A = Area
63.10686, 63.10692 Subpart YYYYY (5Y)	73 FR 72727 December 1, 2008	Area Source Electric Arc Furnace Steelmaking Facilities	A
63 Subparts U, SS, TT, UU, WW, and YY	73 FR 76220 December 16, 2008	Group I Polymers and Resins, Epoxy Resins Production and Non-Nylon Polyamides Production, Acetal Resins Production, and Hydrogen Fluoride Production	M
63.11 & Table 1 Subpart A; Table 1A Subpart G; Table 4 Subpart H; Table 1 Subpart R; Table 1 Subpart U; Table 2 Subpart HH; Table 1 Subpart GGG; Table 2 Subpart HHH; Table 1 Subpart JJJ; Table 1 Subpart VVV; Table 12 Subpart EEEE; Table 12 Subpart FFFF; Table 10 Subpart UUUU; Table 3 Subpart GGGGG; Table 10 Subpart HHHHH; 65.7 & Table 3 Subpart A	73 FR 78199 December 22, 2008	General Provisions – Leak Detection Work Practice	
63.11524-63.11543 & Table 1 Subpart YYYYYY (6Y)	73 FR 78637 December 23, 2008	Source Categories & Area Source Ferroalloys Production	A
63.10686, 63.10692 Subpart YYYYY (5Y)	74 FR 8756 February 26, 2009	Area Source Electric Arc Furnace Steelmaking Facilities	A
Appendix A to Part 63	74 FR 12575 March 25, 2009	Predictive Emissions Monitoring Systems (PEMS) – Coke Oven Batteries	
Appendix A to Part 63	74 FR 18474 April 23, 2009	Predictive Emissions Monitoring Systems (PEMS) – Coke Oven Batteries	
Appendix D to Part 63	74 FR 30228 June 25, 2009	Name Change for OSW	

Part/Subpart	Federal Register Citation/Date	Sources Regulated	M = Major A = Area
63.14 Subpart A; 63.11544-63.11558, Table 1 Subpart ZZZZZZ (6Z)	74 FR 30366 June 25, 2009	Source Categories; Area Source Aluminum, Copper, & Other Nonferrous Foundries	A
63.11544, 63.11553 Subpart ZZZZZZ (6Z)	74 FR 46493 September 10, 2009	Source Categories; Area Source Aluminum, Copper, & Other Nonferrous Foundries	A
63.14 Subpart A; 63.640-63.642, 63.644-63.646, 63.650-63.656, Tables 1, 4, 5, 6, 7 & 10 Subpart CC	74 FR 55670 October 28, 2009	Petroleum Refineries	M
63.11494-63.11503 & Tables 1-9 Subpart VVVVVV (6V)	74 FR 56008 October 29, 2009	Chemical Manufacturing Area Sources	A
63.11559-63.11567 & Tables 1-5 Subpart AAAAAAA (7A)	74 FR 63236 December 2, 2009	Area Sources: Asphalt Processing & Asphalt Roofing Manufacturing	A
63.11599-63.11608 & Table 1 Subpart CCCCCCC (7C)	74 FR 63504 December 3, 2009	Paints & Allied Products Manufacturing Area Sources	A
63.11579-63.11588 & Tables 1-6 Subpart BBBBBBB (7B)	74 FR 69194 December 30, 2009	Area Sources: Chemical Preparations Industry	A
63.11619-63.11628 & Table 1 Subpart DDDDDDD (7D)	75 FR 522 January 5, 2010	Area Source Stds for Prepared Feeds Manufacturing	A
63.6590, 63.6595, 63.6600-63.6605, 63.6612, 63.6620, 63.6625, 63.6640, 63.6645, 63.6650, 63.6655, 63.6660, 63.6665, 63.6675 & Tables 1a, 2a, 2b, 2c, 2d, 3-8 Subpart ZZZZ	75 FR 9648** March 3, 2010	Reciprocating Internal Combustion Engines	M, A
63.11599, 63.11601-63.11603 Subpart CCCCCCC (7C)	75 FR 10184 March 5, 2010	Area Source Stds for Paints and Allied Products Manufacturing – Technical Amendment	A
63.11563-63.11564 Subpart AAAAAAA (7A)	75 FR 12988 March 18, 2010	Area Sources: Asphalt Processing and Asphalt Roofing Manufacturing – Technical Correction	A

Part/Subpart	Federal Register Citation/Date	Sources Regulated	M = Major A = Area
63.11607 Subpart CCCCCCC (7C)	75 FR 31317 June 3, 2010	Area Source Stds for Paints and Allied Products Manufacturing – Amendments	A
63.646, 63.654-63.655 & Appendix Table 4 Subpart CC	75 FR 37730 June 30, 2010	Petroleum Refineries - Technical Correction	M
63.6590 Subpart ZZZZ	75 FR 37732** June 30, 2010	Reciprocating Internal Combustion Engines - Correction	M, A

I. Environmental Benefit Statement

1) Need for proposed amendments and environmental benefit likely to accrue.

a) Need

These amendments are needed to maintain the state's authority under existing delegation agreements to administer the federal regulations and to ensure that the Kansas Air Quality Regulations are current and consistent with the federal requirements. The state is delegated primary authority for the NESHAP and MACT standards adopted under the particular Kansas Air Quality Regulations proposed herein for amendment. However, with respect to federal changes (additions, revocations, or amendments) made to these standards since the last date of state adoption, the state must adopt these new provisions and receive approval from EPA for the authority to implement and enforce such standards in the state. Currently, the EPA is the implementing authority in the state for the standards promulgated after July 1, 2008. There exists a split in the authority to enforce these rules, with Kansas primacy for rules in effect on July 1, 2008 and EPA for those after. This split or dual regulatory authority for implementation and enforcement of the standards subject to this rule-making could result in loss of consistency of application and possible confusion for the regulated community regarding the relative roles of the state and federal agencies. This adoption of changes, followed by the request to EPA for approval of the authority, will resolve these potential problems.

b) Environmental benefit

The proposed revisions are not expected to result in specific environmental benefits beyond those already achieved by the federal promulgation. The affected facilities are already subject to the standards. One of the major benefits of state promulgation is that facilities will be able to work with the state, rather than the EPA, to achieve compliance. Providing implementation at the state level will enhance consistency in the application of the regulations.

2) When applicable, a summary of the research indicating the level of risk to the public health or the environment being removed or controlled by the proposed rules and regulations or amendment.

For the NESHAP and MACT standards, which address HAPs, Section 112 of the Clean Air Act (CAA) directs the EPA Administrator to "promulgate regulations establishing emission standards for each category or subcategory of major sources and area sources of HAP" (42 U.S.C. § 7412(d)(1)). Under Section 112(b) of the CAA, Congress established the list of HAPs that were shown to provide a threat of adverse human health effects. The EPA has conducted or utilized research on the health effects of the various HAPs, which has guided their promulgation of the standards being adopted. Emission standards are necessary to reduce emissions released into the atmosphere to attain the air quality standards that are specified in the CAA. Each standard has been subjected to peer review and often to litigation. (Further details can be found at EPA's Air Toxics website, http://www.epa.gov/ttn/atw/area/arearules.html, and in the docket at http://www.regulations.gov . Specific docket access information is contained within each *Federal Register* notice.)

3) If specific contaminants are to be controlled by the amendment, a description indicating the level at which the contaminants are considered harmful is provided according to current available research.

As noted above, these determinations have been made at the federal level through extensive research; the state rules are no more stringent than the federal rules.

II. Economic Impact Statement

1) Are the amendments mandated by federal law as a requirement for participating in or implementing a federally subsidized or assisted program?

Yes, under the federal CAA and the EPA-Kansas delegation agreements, the state of Kansas is required to adopt the most recent federal rules as state-enforceable rules in order to gain the authority to administer and enforce the new standards statewide. Additionally, the continued approval of the overall state air quality program is based in part upon the state periodically updating its regulations to coincide with federal regulations promulgated by the EPA.

2) Do the proposed amendments exceed the requirements of applicable federal law?

No, the standards are identical to the federal standards, as the federal standards are adopted *verbatim* by reference. Under section 112 of the CAA (42 U.S.C. § 7412(l)(1)), the NESHAP and MACT standards adopted by the state must be no less stringent than the federal requirements. Additionally, pursuant to K.S.A. 2010 Supp. 65-3005, the standards are no more stringent, restrictive, or expansive than those required under the federal clean air act.

3) Description of costs to agencies, to the general public and to persons who are affected by, or are subject to, the regulations:

a) Capital and annual costs of compliance with the proposed amendments and the persons who will bear those costs.

It is a condition of the EPA's approval of the state's Title V operating permit program that the state periodically update these state standards to incorporate new federal regulations. Failure to adopt these proposed state regulation amendments will not result in the federal standards being rendered inapplicable to sources, but, as previously discussed, would instead result in a dual regulatory structure. If the amendments are not implemented and the EPA were to withdraw approval of the state plan, then the CAA provisions, including the Title V operating permit program, would be administered solely by the EPA.

It is important that the state continue to maintain the regulations in a current status, as the state's air program achieves a level of economic efficiency in the administration of the Title V

permit program. This results in direct financial savings to the regulated facilities within Kansas. Approval of Kansas' Title V permit program also authorizes Kansas to be the sole collector of application fees and costs. Although minor, these costs provide a source of revenue to the state.

The cost of compliance for facilities will not be increased, *per se,* by the proposed state rulemaking, because these rules are already in force at the federal level. Regardless of whether the state adopts the amendments, facilities are already subject to the costs associated with the federal standards. Because the state adopts these *verbatim*, and adds no additional requirements, no additional costs to the regulated community are imposed by the proposed state action. Although these facilities will already be subject to regulation, cost estimates for affected facilities are provided when the proposed regulation produces an economic impact.

In certain cases, the rules incorporated into the state standards by the proposed amendments have the effect of reducing or delaying the economic impacts on sources, or have no economic impact. Although some of the rules require stricter emission standards or add-on controls, often there is ultimately no economic change because the existing NESHAP and MACT standards already require the technology needed to implement the new rules. Some of the rules listed are merely technical corrections, with no actual change in requirements, therefore leading to no economic impact (*e.g.*, 74 *Federal Register* 18474, 4/23/2009, technical correction to formatting; 74 *Federal Register* 30228, 6/25/2009, office name change; 75 *Federal Register* 10184, 3/5/2010, regulatory text clarification). Additionally, some standards adopted or amended by the EPA regulate facilities or groups of facilities that do not currently exist within the state (*e.g.*, semiconductor manufacturing and electric arc furnaces area sources).

Some actions result in cost savings or regulatory burden reduction for certain facilities. One such example in this regulations package is the rule allowing a voluntary alternative work practice for leak detection and repair using optical gas imaging (published on December 22, 2008, in the *Federal Register* on pages 78199-78219). The alternative work practice is expected to relieve some regulatory burden by reducing the labor hours necessary to identify equipment leaks.

The table above provided a list of all the NESHAP and MACT provisions that have been amended or promulgated since July 2, 2008 and up to July 1, 2010, with the exception of

provisions related to delegation status and not delegable to the states. A more detailed summary of each action that has been determined to cause an economic impact, either positive or negative, is provided below. Where EPA collected data regarding national economic and cost impacts of a regulation, the analysis has been provided in the summary. To create an impact analysis, the EPA uses models to estimate economic, social, and air impacts. For further information concerning proposed amendments not causing or contributing to an economic impact in Kansas, please see Appendix A. Regulations that were published in the *Federal Register* that are not being proposed for adoption are listed in Appendix B (amendments to delegations, provisions not delegable to the states) and Appendix C (amendments not proposed for adoption at this time - RICE MACT).

The following are the amendments being proposed for adoption that have been determined to cause an economic impact, positive or negative. They are currently contained in the *Federal Register*, 40 C.F.R. Part 63 (one of which also includes amendments to Part 65):

Nine Metal Fabrication and Finishing Area Source Categories

➢ **63.14 Subpart A; 63.11514-63.11523, Tables 1 & 2 Subpart XXXXXX (6X)**

July 23, 2008 Volume 73: 42978-43011

This action issues NESHAP for nine metal fabrication and finishing area source categories that establish emission standards in the form of management practices and equipment standards for new and existing operations of dry abrasive blasting, machining, dry grinding and dry polishing with machines, spray painting and other spray coating, and welding operations. This final rule applies to area sources where the primary activity of their facilities is in one of the following nine source categories: (1) Electrical and Electronic Equipment Finishing Operations; (2) Fabricated Metal Products; (3) Fabricated Plate Work (Boiler Shops); (4) Fabricated Structural Metal Manufacturing; (5) Heating Equipment, except Electric; (6) Industrial Machinery and Equipment Finishing Operations; (7) Iron and Steel Forging; (8) Primary Metal Products Manufacturing; and (9) Valves and Pipe Fittings. This rule applies to area sources in these nine source categories that use or have the potential to emit compounds of cadmium, chromium, lead, manganese, or nickel from metal fabrication or finishing operations. Management practices include minimizing excess dust in areas around processes, spray gun cleaning techniques that minimize atomization of cleaning material, spray painting worker training, and use of low fume welding techniques. Equipment standards include use of control devices such as cartridge filters, high-volume, low-pressure spray techniques, and paint spray booth particulate filters. The EPA exempts area sources in the metal fabrication and finishing industry from obtaining Title V permits except where an affected facility is required to obtain a Title V permit for reasons other than being subject to this final rule.

Cost/Economic Impact:

There currently are four Kansas facilities on record as subject to this rule. The EPA presumes that all metal fabrication and finishing processes except painting are achieving the level of control required by the

final standard. Therefore, no additional air pollution control devices or systems would be required and no capital costs and no operational and maintenance costs are expected. Industry comments in the regulatory docket confirm that the management practices required by this rule are common place. Using U.S. Census and labor statistics, the EPA estimated the annual cost of monitoring, reporting, and recordkeeping to be approximately $569 per facility per year with an additional $384 per facility in one-time costs for the first year. The costs are anticipated to be less than 0.01 percent of revenues. The EPA states that this final rule would not impose a significant adverse impact on any facilities.

Hazardous Waste Combustors

➢ **63.1206-63.1207, 63.1210, 63.1215, 63.1219-63.1220 Subpart EEE**

October 28, 2008 Volume 73: 64068-64097

On October 12, 2005, the EPA promulgated NESHAP for new and existing sources at hazardous waste combustion facilities. Subsequently, four petitions for reconsideration of the final rule were received, and the EPA granted reconsideration with respect to eight issues raised by the petitions. This rule takes final action on the eight issues raised by the petitions. This rule revises the new source standard for particulate matter for cement kilns and for incinerators that burn hazardous waste, makes amendments to the particulate matter detection system provisions, and revises the health-based compliance alternative for total chlorine. In addition, this action issues several corrections and clarifications to the final rule. The eight issues granted reconsideration include: (1) Subcategorization of Liquid Fuel Boilers by Heating Value; (2) Correcting Total Chlorine Data to 20 ppmv; (3) Use of PS-11 and Procedure 2 as Guidance for Extrapolating the Alarm Set-Point of a Particulate Matter Detection System; (4) Tie-Breaking Procedure for New Source Standards; (5) New Source Particulate Matter Standard for New Cement Kilns; (6) Beyond-the-Floor Analyses to Consider Multiple HAP That Are Similarly Controlled; (7) Dioxin/Furan Standard for Incinerators With Dry Air Pollution Control Devices; and (8) Provisions of the Health-Based Compliance Alternative.

Cost/Economic Impact:

In Kansas, four hazardous waste combustors are registered; however, only three of them are in use. Two of the sources are cement kilns; the other is a liquid fuel-fired boiler subject to the Phase II standards. The EPA estimates minimal cost and no economic impacts as compared with the total costs and economic impacts that were calculated for the October 12, 2005 rule.

Ferroalloy Production Facilities (Area Sources)

➢ **63.11524-63.11543 Subpart YYYYYY (6Y)**

December 23, 2008 Volume 73: 78637-78647

This action revises the area source category list by changing the name of the ferroalloys production category to clarify that it includes all types of ferroalloys. This action also adds two additional products (calcium carbide and silicon metal) to the source category. In this action, the EPA issues final national emissions standards for the control of hazardous air pollutants (HAP) based on generally available control technology (GACT) and management practices for new and existing area source ferroalloys production facilities.

Cost/Economic Impact:

The EPA estimates that the only impact associated with this final rule is for the compliance requirements (monitoring, reporting, recordkeeping, and testing) at approximately $3,600 per facility nationwide. There currently are no Kansas facilities subject to this rule.

Aluminum, Copper, & Other Nonferrous Foundries (Area Sources)

- **63.14 Subpart A; 63.11544-63.11558 & Table 1 Subpart ZZZZZZ (6Z)**

June 25, 2009 Volume 74: 30366-30399

This action revises the area source category list by changing the name of the "Secondary Aluminum Production" category to "Aluminum Foundries" and the "Nonferrous Foundries, not elsewhere classified (nec)" category to "Other Nonferrous Foundries." This action also issues final national emission standards for the Aluminum Foundries, Copper Foundries, and Other Nonferrous Foundries area source categories. These standards for new and existing sources are based on generally available control technologies (GACT) or management practices for each of the three area source categories.

Cost/Economic Impact:

KDHE has reviewed census information, Kansas Department of Labor statistics, materials available in the regulatory docket, and EPA's impact analysis documentation. EPA analyses included census and labor information as well as industry survey responses and information gathered from meetings with industry representatives.

There are 16 Kansas facilities listed with the Kansas Department of Labor under the applicable industry codes for this rule; however, labor market information and EPA analyses indicate that these facilities likely fall below the 600 tons per year melt threshold for applicability. Facilities below the 600 tons per year melt threshold are not subject to the rule. The EPA concludes that existing aluminum, copper, and other nonferrous foundries are currently well controlled, and the final GACT determination reflects such controls. The EPA anticipates no significant economic impact on new or existing foundries and estimates the only associated impacts are the compliance requirements (monitoring, reporting, recordkeeping, and testing). This final rule is estimated to impact approximately 318 of over 962 area source facilities nationwide with an average total cost of $2,000 per year per facility.

Petroleum Refineries

- **63.14 Subpart A; 63.640-63.642, 63.644-63.646, 63.650-63.656 & Tables 1, 4, 5, 6, 7, & 10 Subpart CC**

October 28, 2009 Volume 74: 55670-55692

This action amends the national emission standards for petroleum refineries to add maximum achievable control technology standards for heat exchange systems. This action also amends the general provisions cross-reference table and corrects section references. In this action, the EPA selects MACT floor requirements for heat exchange systems in organic HAP (hazardous air pollutant) service at petroleum refineries. A beyond-the-floor option was rejected because it was not cost-effective. Under the selected requirements, owners and operators of heat exchange systems that are in organic HAP service at new and existing sources are required to conduct monthly sampling and analyses using the Texas Commission on Environmental Quality's (TCEQ) Modified El Paso Method, Revision Number One, dated January 2003. For existing sources, a leak is defined as 6.2 parts per million by volume (ppmv) total strippable volatile organic compounds (VOC) in the stripping gas collected via the Modified El Paso Method. For new sources, a leak is defined as 3.1 ppmv total strippable VOC. The amendments require the repair of leaks in heat exchangers in organic HAP service within 45 days of the sampling event in which the leak is detected, unless a delay in repair is allowed. A delay is allowed until the next shutdown if the repair of the leak requires the process unit served by the leaking heat exchanger be shut down and the total strippable VOC concentration is less than 62 ppmv. A delay may be allowed for up to 120 days if critical parts or personnel are not available. Sampling for leaks can be done for individual or combined heat exchange systems.

All new or existing refineries with a heat exchange system in organic HAP service are required to maintain records of all heat exchangers and which of those are in organic HAP service, the cooling towers

and once-through systems associated with heat exchange systems in organic HAP service, monthly monitoring results, and information regarding any delays in leak repair.

Cost/Economic Impact:

There are three Kansas facilities subject to this rule. There are approximately 150 facilities nationwide. The total capital investment cost is estimated at $108,708 per facility, and the total annualized cost of the controls required is expected to be $20,423 per facility. Kansas sources have confirmed that EPA has provided reasonable cost estimates. Information requirements include monitoring, recordkeeping, and reporting provisions for cooling towers, including notifications of compliance status and semiannual compliance reports. The costs associated with this rule are not anticipated to cause any significant adverse economic impact for any small or large entity.

Chemical Manufacturing Area Sources

➢ **63.11494-63.11503 & Tables 1-9 Subpart VVVVVV (6V)**

October 29, 2009 Volume 74: 56008-56056

This action issues national emission standards for the control of hazardous air pollutants (HAP) for nine area source categories in the chemical manufacturing sector: Agricultural Chemicals and Pesticides Manufacturing, Cyclic Crude and Intermediate Production, Industrial Inorganic Chemical Manufacturing, Industrial Organic Chemical Manufacturing, Inorganic Pigments Manufacturing, Miscellaneous Organic Chemical Manufacturing, Plastic Materials and Resins Manufacturing, Pharmaceutical Production, and Synthetic Rubber Manufacturing. This final rule establishes emission standards in the form of management practices for each chemical manufacturing process unit as well as emission limits for certain subcategories of process vents and storage tanks. In addition, the rule establishes management practices and other emission reduction requirements for subcategories of wastewater systems and heat exchange systems.

This rule applies to each chemical manufacturing process unit (CMPU) that uses feedstocks, generates as byproducts, or produces as products any of the following 15 HAP: 1,3-butadiene; 1,3-dichloropropene; acetaldehyde; chloroform; ethylene dichloride; methylene chloride; hexachlorobenzene; hydrazine; quinoline (organic HAP); or compounds of arsenic, cadmium, chromium, lead, manganese, or nickel (metal HAP). Management practice requirements include: process vessels equipped with a cover or lid in place at all times when the vessel contains HAP, except for material addition and sampling; transfer of liquids containing organic HAP to tank trucks or railcars must use submerged loading or bottom loading, except for reactive or resinous materials; quarterly inspections of CMPU equipment to demonstrate compliance and confirm CMPU are sound and free of leaks with any leaks being repaired within 15 days; small heat exchange systems that are part of an affected CMPU and that have a cooling water flow rate of less than 8,000 gallons per minute require an inspection plan for identifying hydrocarbons in the cooling water with inspections conducted quarterly and any leak repairs completed within 45 days; and records must be kept of inspection dates, results, and leak repair dates. Heat exchange systems with cooling water flow rate of 8,000 gallons per minute or greater must be subject to similar management practices as the smaller systems. In addition, there must be a monitoring plan in place that documents procedures for detecting leaks of process fluids into cooling water and that requires monitoring of one or more surrogate indicators or of one or more process parameters that indicate a leak. Standards are also set for emissions reduction and controls at process vents, storage tanks, surge control vessels, and bottoms receivers. All wastewater discarded from an affected CMPU must be treated.

Each facility is required to submit an initial notification and a notification of compliance status. A compliance report must be submitted for each semiannual reporting period during which a deviation occurred, a leak was not repaired within the specified time period, or a process change occurred that affected a prior compliance determination or resulted in a new compliance determination.

Cost/Economic Impact:

There are six Kansas facilities subject to this subpart. Total capital investment cost is estimated at about $44,500 and annual cost around $70,000 for the six facilities as a group. The table below breaks down the costs by facility.

	Total Capital Investment, $					Annual Costs, $/year				
Facility	PV-metals	WW	HES	MP	Total	PV-metals	WW	HES	MP	Total
Eagle-Picher	22,818.00			1,200.00	24,018.00	56,069.00			1,200.00	57,269.00
Omni Oxide				1,200.00	1,200.00				1,200.00	1,200.00
Abengoa Bioenergy		5,969.00	6,700.00	1,200.00	13,869.00		2,193.00	2,800.00	1,520.00	6,513.00
Jayhawk Fine Chemicals				1,200.00	1,200.00				1,520.00	1,520.00
NAZDAR **				1,200.00	1,200.00				1,200.00	9,149.90
Atofina Chemicals			1,800.00	1,200.00	3,000.00			800.00	1,520.00	2,320.00

PV = process vents; WW = wastewater systems; HES = heat exchange systems; MP = management practices

** Total annual costs for NAZDAR include permitting.

Asphalt Processing and Asphalt Roofing Manufacturing Area Sources

➢ **63.11559-63.11567 & Tables 1-5 Subpart AAAAAAA (7A)**

December 2, 2009 Volume 74: 63236-63266

In this action, EPA promulgates national emission standards for the control of emissions of hazardous air pollutants (HAP) from the asphalt processing and asphalt roofing manufacturing area source category. Emissions standards for new and existing sources are based upon EPA's final determination as to what constitutes the generally available control technology or management practices (GACT) for this source category. This rule applies to each new or existing area source facility that processes asphalt and/or manufactures roofing products using saturation and/or coating processes that apply asphalt to a substrate.

The final standards for asphalt processing require the owner or operator to limit polycyclic aromatic hydrocarbons (PAH) to 0.003 pounds per ton (lb/ton) of asphalt charged to the asphalt refining (blowing still) operation. An alternative standard for compliance is a PM emissions limit of 1.2 lb/ton of asphalt charged to the asphalt refining operation. For asphalt roofing manufacturing operations, subcategories were developed based on process types as follows: (1) production lines that use a coater only, (2) production lines that use a saturator only, and (3) production lines that use both saturators and coaters. Final standards for coater-only production lines require limiting PAH emissions from all coating mixers and coaters to 0.0002 lb/ton of product manufactured with an alternative PM emission limit of 0.06 lb/ton of product manufactured. Final standards for saturator-only production lines require limiting PAH emissions from all saturators (and wet loopers) to 0.0007 lb/ton of product manufactured with an alternative PM limit of 0.30 lb/ton of product manufactured. Final standards for combined saturator and coater production lines require limiting PAH emissions to 0.0009 lb/ton of product manufactured with an alternative PM limit of 0.36 lb/ton. Facilities are required to submit an initial notification, a notice of compliance status, and semi-annual compliance summary reports.

Cost/Economic Impact:

There are two Kansas facilities subject to this subpart. It is presumed that all asphalt processing and asphalt roofing manufacturing facilities will be able to meet the final standards using existing controls and that all existing facilities are already following the manufacturer's instructions for operating and maintaining air pollution control devices and systems. The annual cost of monitoring, reporting, and recordkeeping is estimated at about $3,000 per facility per year for the first three years, and the costs are expected to be less than one percent of revenues.

Paints and Allied Products Manufacturing Area Sources

➢ **63.11599-63.11608 & Table 1 Subpart CCCCCCC (7C)**

December 3, 2009 Volume 74: 63504-63530

This action issues national emission standards for control of hazardous air pollutants (HAP) for the Paints and Allied Products Manufacturing area source category. The rule establishes emission standards in the form of management practices for volatile HAP and emission standards in the form of equipment standards for particulate HAP. The standards for new and existing sources are based on EPA's determination for generally available control technology or management practices (GACT). This rule covers all coating, but does include resin manufacturing, which is covered by the chemical manufacturing area source standard (Subpart 7V). Facilities that manufacture both coatings and resins are required to comply with both rules (Subparts 7C and 7V). This rule defines paints and allied products as any material such as a paint, ink, or adhesive that is intended to be applied to a substrate and consists of a mixture of resins, pigments, solvents, and/or other additives. The source category does not include the following: (1) the manufacture of products that do not leave a dried film of solid material on the substrate (e.g., thinners, paint removers, brush cleaners, and mold release agents); (2) the manufacture of electroplated and electroless metal films; (3) the manufacture of raw materials (e.g., resins, pigments, and solvents used in the production of paints and allied products; and (4) activities by end users of paints or allied products to ready those materials for application. This rule affects new and existing paints and allied products manufacturing operations that are area sources of one of the target HAP and that process, use, or generate materials containing one or more of the following target HAP: benzene, methylene chloride, and compounds of cadmium, chromium, lead, and nickel. Control requirements only apply when an operation is being performed at a process vessel that uses materials containing HAP in amounts greater than or equal to 0.1 percent by weight.

All new and existing affected facilities are required to operate a particulate control device during the addition of pigments and other solids that contain metal HAP (compounds of cadmium, chromium, nickel, or lead) and during the grinding and milling of pigments and solids that contain metal HAP. Particulate control devices that vent to the atmosphere must be maintained so that visible emissions from the control device do not exceed 10 percent opacity averaged over a six-minute period. New and existing affected facilities are required to equip process and storage vessels that store or process materials containing benzene or methylene chloride with covers or lids. Mixing vessels that process or store materials containing one or more of the target volatile HAP must be equipped with covers that completely cover the vessel, except for safe clearance of the mixer shaft. Leaks and spills of materials containing benzene or methylene chloride must be minimized and cleaned up as soon as practicable but no longer than one hour from the time of detection. Rags or other materials using a solvent containing benzene or methylene chloride for cleaning must be kept in a closed container that contains a device to allow pressure relief but that does not allow liquid solvent to drain from the container. Owners or operators are required to submit initial notification, notification of compliance status, and an annual compliance certification report.

Cost/Economic Impact:

KDHE records indicate that there are about 14 Kansas facilities subject to this subpart. The impacts associated with this rule include capital and annual costs of installing and operating a particulate control device, the capital cost of adding lids or covers to process vessels, and the compliance requirements (reporting, recordkeeping, and testing). KDHE has reviewed census and labor statistics for Kansas industry as well as the materials recorded in the regulatory docket for this rule. EPA's impact analyses included the use of emissions inventory data and existing controls information from state permits. The EPA estimates that 21 percent of the facilities nationwide, 460 area sources, will be required to install particulate control equipment with capital costs estimated at $17,600 per facility and the annual costs estimated at $6,700 per facility. It is estimated that 110 facilities will be required to install lids or covers

on their process, mixing, and storage vessels with capital costs estimated at $350 per facility and annual costs at $50 per facility. Reporting and recordkeeping requirements are estimated to cost $147 per facility.

Chemical Preparations Industry Area Sources

➢ **63.11579-63.11588 & Tables 1-6 Subpart BBBBBBB (7B)**

December 30, 2009 Volume 74: 69194-69217

This action issues national emissions standards for control of hazardous air pollutants (HAP) from the chemical preparations area source category in the form of generally available control technology or management practices (GACT). Target HAP include metal compounds of chromium, lead, manganese, and nickel with PM as a surrogate. Affected existing sources are required to route process vent streams that contain or contact target HAP to a control device with a 95 percent PM reduction efficiency or to meet an outlet concentration of 0.03 grains per dry standard cubic foot (gr/dscf) with or without control. Affected new sources are required to route these streams to a control device with a 98 percent PM reduction efficiency or to meet an outlet concentration of 0.03 gr/dscf, with or without control. Existing sources that can demonstrate and certify that the PM concentration of each process vent stream from equipment that uses, contains or contacts target HAP will not exceed 0.03 gr/dscf are not required to route the process vent streams to a control device with a 95 percent PM reduction efficiency. Recordkeeping and reporting requirements are reduced for sources that can comply with the 0.03 gr/dscf alternative standard without the use of a control device. The standards require an initial compliance assessment, continuous compliance demonstration, initial notification, notification of compliance status, and semi-annual compliance summary reports if a deviation occurs or annual compliance summary reports if no deviations occur.

Cost/Economic Impact:

There is one Kansas facility subject to this subpart. All facilities affected nationwide by this subpart are likely to be achieving currently the level of control required. Therefore, no capital costs are associated with this final rule and no operational and maintenance costs are expected because it is believed that facilities are already following the manufacturer's instructions for proper operation and maintenance of pollution control devices and vent collection systems. Annual costs are estimated at $6,800 per facility per year after the first year for monitoring, inspections, reporting, and recordkeeping. An additional cost of one-time activities during the first year of compliance is estimated at $2,400 per facility.

Prepared Feeds Manufacturing Area Sources

➢ **63.11619-63.11628 & Table 1 Subpart DDDDDDD (7D)**

January 5, 2010 Volume 75: 522-551

This action issues national emission standards for new and existing prepared feeds manufacturing facilities that:

- produce animal feed products (not including cat and dog feed); and
- use material containing or chromium or material containing manganese; and
- are area sources of hazardous air pollutants (HAP).
  (An area source emits or has the potential to emit less than ten tons per year (tpy) of any listed hazardous air pollutant or 25 tpy of any combination of HAPs, i.e. is not a major source.)

This action establishes emission standards in the form of management practices and equipment standards. This rule applies to area sources where the primary activity is prepared feeds manufacturing, meaning that the animal feed makes up at least half of a facility's annual production of all products. Prepared feeds manufacturing facilities that doe not use material containing chromium (at greater than 0.1

percent by weight) or material containing manganese (at greater than one percent by weight) are not subject to this rule.

Two general management practices apply in all areas where materials containing chromium or manganese are stored, used, or handled: (1) perform housekeeping measures to minimize excess dust that could contain chromium or manganese (use of industrial vacuum; removal of dust from walls, ledges; keeping doors shut except during normal ingress and egress) and (2) maintain and operate all process equipment that stores, processes, or contains chromium or manganese in accordance with manufacturers' specifications and in a manner to minimize dust creation. Other requirements are specific to certain areas of the plant or processes and include: for storage, all raw materials containing chromium or manganese must be stored in closed containers; for mixing, materials containing chromium or manganese must be added in a manner to reduce emissions, and the mixer must be covered at all times when mixing is occurring, except when materials are being added; and for bulk loading, a device must be used at the loadout end of each bulk loader to lessen fugitive emissions by reducing the distance between the loading arm and the truck or railcar. Monthly inspections are required for loadout end devices.

In addition to the requirements listed above, new and existing facilities with average daily animal feed production levels exceeding 50 tons per day (tpd) are required to install and operate a cyclone to reduce emissions from pelleting and pellet cooling operations. Average daily feed production is determined using prior year total production divided by number of operations days. Particulate matter (PM) emissions are to be collected and routed to a cyclone that is designed to achieve 95 percent or greater reduction in PM. The final rule requires that an operating parameter range be established that indicates proper operation of the cyclone and that this parameter be monitored at least once per day. The final rule also requires that the cyclone be maintained in accordance with manufacturer specifications or with developed standard maintenance procedures, if manufacturer specifications are not available. Quarterly inspections are required for cyclones.

Each facility is required to submit initial notification, notification of compliance status, and annual compliance certification. Facilities not required to install and operate cyclones on their pelleting operations are required to submit documentation of their initial average daily feed production level. Records must be kept of all compliance notification, inspection documents, daily monitoring readings, and any actions taken in response to findings of the inspections or monitoring results outside the proper operating range. Facilities with average daily feed production levels of 50 tpd or less must keep records of the annual production and the number of days of operation.

Cost/Economic Impact:

There are approximately 50 Kansas facilities listed under the applicable industry code, NAICS 311119, for this rule. As of February 2011, EPA Region 7 had received notifications from 11 Kansas facilities subject to this rule; however, all of these sources have since determined that they are not subject to this rule. The EPA estimates that about 29 percent of U.S. facilities under this industry code are small producers, with average daily feed production of 50 tpd or less. The EPA also estimates that about 98 percent of the large producers, greater than 50 tpd, already have cyclones in place. Capital costs for the installation of cyclones on the pelleting cooling operations at the large facilities is estimated at $2,500,000 nationwide, or $97,000 per facility, and the associated annual cost is estimated at $3,000,000 per year nationwide, or $116,000 per facility. There are no additional costs anticipated for implementing management practices as it is believed that all prepared feed manufacturing facilities have already implemented such measures. For all facilities, the cost for notifications, recordkeeping, and reporting is estimated at $980 per facility per year. Industry comments to EPA did not dispute the estimated costs, but they did dispute the ability to achieve 95 percent or greater reduction in PM.

Update:

The EPA published direct final revisions to this rule in the *Federal Register*, Volume 76, pages 80261-80266, on December 23, 2011. The revisions clarify:

- the use of devices known as "cyclones" to reduce particle pollution from pelleting processes at large prepared feeds manufacturing facilities; EPA in its development of the area source rule did not intend for existing sources to replace existing equipment with a high efficiency cyclone, therefore EPA is removing a 95 percent control efficiency requirement and associated compliance demonstration, monitoring, reporting, and recordkeeping requirements for large, existing sources;
- that the requirement to keep doors closed in areas where materials containing chromium and manganese are stored, used, or handled does not apply to areas where finished prepared feed product is stored in closed containers; and
- that any type of device may be used minimize the distance between the bulk loading spout and the truck or railcar being loaded.

A recent survey conducted by KSU-SBEAP of 23 Kansas facilities to determine applicability and scope provided the following results:

- ten facilities are not subject to this rule;
- six facilities appear to be subject to this rule
  - three of these facilities produce less than 50 tons per day
  - three produce greater than 50 tons per day, and only two of these have Class II permitted cyclones and the third one does not pelletize;
- two facilities probably are not subject - a message was left for each to return call if they use chromium or manganese – no reply from either;
- five facilities are unknowns - messages were left and no responses received.

b) Initial and annual costs of implementing and enforcing the proposed amendments, including the estimated amount of paperwork, and the state agencies, other governmental agencies or other persons or entities who will bear the costs.

The NESHAP and MACT standards that are being proposed will transfer regulating authority from the EPA to the KDHE. The adoption of proposed changes to 40 C.F.R. Part 63 will have the result of increasing the KDHE current staff members' regulatory duties. Currently, the permitting staff is incorporating elements of the existing federal requirements into permits being drafted because they are current and are assumed eventually to be state regulated. The implementation of regulations for certain area source MACTs, with large number of sources and relatively small amount of emissions, deserves fair consideration and forethought as there has been no increase in resources from the EPA. However, the Bureau of Air maintains that Kansas sources are best regulated by Kansas rather than by the EPA. Adoption of these regulations will necessitate a different regulatory approach, more vigorous public outreach and education efforts, and alternative compliance and enforcement methods. Kansas State University's Small Business

Environmental Assistance Program (SBEAP) has been successful in outreach and education of small business, and it is expected that their role will continue to be vital and to grow with respect to area sources.

c) Costs which would likely accrue if the proposed regulations are not adopted, the persons who will bear the costs and those who will be affected by the failure to adopt the regulations.

KDHE needs to adopt current regulations and amendments to stay on a par with the national standards. If the proposed amendments are not adopted, the state will not have the authority necessary to implement and enforce the new standards listed in this impact statement, *i.e.*, the EPA would remain as the primary authority for those standards that have been promulgated by the EPA since July 2, 2008. As previously discussed, this would result in a dual regulatory structure for the NESHAP and MACT standards. This situation could potentially result in the loss of consistency in applying standards and would burden regulated facilities because they will have to work with both the state and the EPA. This results in confusion for the regulated community regarding the applicable requirements that must be met, as well as the added burden of working with two agencies instead of one. In addition, KDHE can implement these regulations in an appropriate, consistent, and cost-effective manner for both the agency and the affected Kansas facilities.

d) A detailed statement of the data and methodology used in estimating the costs used in the statement.

The economic impact information contained herein has been obtained through EPA analysis documents, where available, for the respective rulemaking actions, and has been supplemented where possible with information found in the proposed or final rule notices in the *Federal Register* and in the regulatory dockets (www.regulations.gov). EPA analysis typically provided large cost and economic estimates that would affect an entire industry. Based on the number of facilities registered within Kansas that will be subject to these rules, a percentage of Kansas facilities within the total nationwide industry was calculated and used to obtain a percentage estimate of the total nationwide cost, thereby providing Kansas costs.

e) Description of any less costly or less intrusive methods that were considered by the agency and why such methods were rejected in favor of the proposed regulations.

There are no alternative methods of implementing the federal requirements that would be less intrusive; however, implementation and administering of these regulations in Kansas by KDHE rather than by EPA will be less costly.

The EPA does not finalize a regulation until it has been subjected to public comment and criticism. Therefore, the proposed regulations have all been reviewed and critiqued before adoption.

f) Consultation with League of Kansas Municipalities, Kansas Association of Counties, and Kansas Association of School Boards.

Some of the federal rules being adopted in this rulemaking may affect the constituencies of these organizations; however, the state rulemaking action does not change the requirements for those so affected. Copies of the rules and this statement are being provided to these organizations for their review.

APPENDIX A

The following regulations were published in the *Federal Register*; however they provide no substantial economic impact. The list of regulations is comprised of amendments that regulate facilities located in Kansas as well as outside of Kansas. Although some amendments regulate facilities outside of Kansas, there could be affected facilities in Kansas in the future and the amendments must be adopted to comply with the Federal delegation agreements.

The following are the amendments being proposed for adoption that were determined not to cause or contribute to an economic impact to facilities in Kansas. They are currently contained in the *Federal Register*, 40 C.F.R. Part 63:

Perchloroethylene Air Emission Standards for Dry Cleaning

- **63.320, 63.323, 63.324 Subpart M**

July 11, 2008 Volume 73: 39871-39875

On April 1, 2008, the EPA published a direct final rule and parallel proposal to amend revisions to the national perchloroethylene air emission standards for dry cleaning facilities that were promulgated on July 27, 2006. This action withdraws the direct final rule due to adverse comments received and takes final action on the proposed rule to reflect the EPA's response to the comments. This action amends rule language to correct applicability cross references and clarifies that either of two prescribed methods (pressure or temperature), regardless of whether an installed pressure gauge is present, may be used in condenser performance monitoring.

Cost/Economic Impact:

There are approximately 80 Kansas facilities that are subject to this rule. As this action entails only rule language and technical corrections, there is no cost or economic impact.

Organic Liquids Distribution (Non-gasoline)

- **63.2346, 63.2358, 63.2390 & Table 10 Subpart EEEE**

July 17, 2008 Volume 73: 40977-40982

On April 23, 2008, the EPA published proposed and direct final rule amendments to the NESHAP for organic liquids distribution (non-gasoline) that were promulgated on February 3, 2004, and amended on July 28, 2006. Due to adverse comments received, this action withdraws two corresponding regulatory amendments in the direct final rule. Other regulatory amendments, for which no adverse comments were received, became effective on July 22, 2008. This action promulgates final amendments in response to the adverse comments and corrects typographical errors in the rule text. Final amendments include amended rule text for compliance dates for storage tanks in § 63.2358(b)(1) and (c)(1) and for pressure relief device compliance provisions in items 4 and 6 of Table 10. The corrections to typographical errors merely correct certain technical errors in the references in the rule.

Cost/Economic Impact:

There are five Kansas facilities subject to this rule. There is no cost or economic impact from this action.

Semiconductor Manufacturing

➢ **63.7184, 63.7195 Subpart BBBBB (5B)**

July 22, 2008 Volume 73: 42529-42532

This action issues amendments to the NESHAP for semiconductor manufacturing that establish a new maximum achievable control technology (MACT) floor level of control for existing and new combined hazardous air pollutants (HAP) process vent streams containing inorganic and organic HAP. These amendments clarify the emission requirements for process vents by adding definitions for organic, inorganic, and combined HAP process vent streams that contain both organic and inorganic HAP.

Cost/Economic Impact:

There currently are no Kansas facilities subject to this subpart. There is no cost or economic impact from this action.

Electric Arc Furnace Steelmaking Facilities (Area Sources)

➢ **63.10686, 63.10692 Subpart YYYYY (5Y)**

December 1, 2008 Volume 73: 72727-72731

This direct final action amends the NESHAP for electric arc furnace (EAF) steelmaking facilities that are area sources published on December 28, 2007. The amendments clarify applicability of the opacity limit, make the performance test requirements for particulate matter consistent with requirements in the new source performance standards for EAF steelmaking facilities, allow title V test data to be used to demonstrate compliance, and revise the definition of "scrap provider" to include EAF steelmaking facilities that own and operate a scrap shredder. (A withdrawal of this direct final rule in entirety was published in the *Federal Register*, pages 8756-8757, on February 26, 2009.)

Cost/Economic Impact:

There currently are no Kansas facilities subject to this subpart. There is no cost or economic impact from this action.

➢ **63.10686, 63.10692 Subpart YYYYY (5Y)**

February 26, 2009 Volume 74: 8756-8757

On December 1, 2008, the EPA issued direct final amendments to the NESHAP for electric arc furnace (EAF) steelmaking facilities. The amendments were issued as a direct final rule with a parallel proposal to be used for final action in the event the EPA received any adverse comments on the direct final amendments. Due to adverse comments received, this action withdraws the direct final rule published on December 1, 2008.

Cost/Economic Impact:

There currently are no Kansas facilities subject to this subpart. There is no cost or economic impact from this action.

Group I Polymers and Resins (Polysulfide Rubber Production, Ethylene Propylene Rubber Production, Butyl Rubber Production, Neoprene Production); Epoxy Resins Production and Non-Nylon Polyamides Production; Source Categories: Generic Maximum Achievable Control Technology Standards (Acetal Resins Production and Hydrogen Fluoride Production) (Risk and Technology Review)

➢ **Part 63 Subparts U, W, SS, TT, UU, WW, and YY**

December 16, 2008 Volume 73: 76220-76230

This final rule announces the EPA's decision not to revise four national emission standards for hazardous air pollutants (NESHAP) that regulate eight industrial source categories evaluated in risk and technology review. After conducting risk and technology reviews, and after considering public comments on the proposed rule, the EPA concludes that no additional control requirements are warranted under section 112(f)(2) or 112(d)(6) of the Clean Air Act at this time.

Cost/Economic Impact:

There is one Kansas facility subject to subpart YY, NESHAP for Source Categories: Generic Maximum Achievable Control Technology Standards. No other Kansas facilities currently are affected by this final rule. There is no cost or economic impact from this action.

General Provisions – Alternative Leak Detection Work Practice

- **63.11 & Table 1 Subpart A; Table 1A Subpart G; Table 4 Subpart H; Table 1 Subpart R; Table 1 Subpart U; Table 2 Subpart HH; Table 1 Subpart GGG; Table 2 Subpart HHH; Table 1 Subpart JJJ; Table 1 Subpart VVV; Table 12 Subpart EEEE; Table 12 Subpart FFFF; Table 10 Subpart UUUU; Table 3 Subpart GGGGG (5G); Table 10 Subpart HHHHH (5H); 65.7 & Table 3 Subpart A**

December 22, 2008 Volume 73: 78199-78219

On April 6, 2006, the EPA proposed a voluntary alternative work practice for leak detection and repair using a newly developed technology, optical gas imaging. The alternative work practice is an alternative to the current leak detection and repair work practice, which is not being revised. This action amends the proposed alternative to add a requirement to perform monitoring once per year using the current Method 21 (Part 60) leak detection instrument. This action incorporates the final alternative work practice into the General Provisions.

Cost/Economic Impact:

There currently are approximately 40 Kansas facilities subject to the affected subparts. The EPA expects no significant economic impact from this action. The EPA expects that the alternative work practice will relieve some regulatory burden for those affected by reducing the labor hours necessary to identify equipment leaks.

General Provisions – Performance Specification 16 for Predictive Emission Monitoring Systems, Testing and Monitoring Provisions

- **Part 63 Appendix A**

March 25, 2009 Volume 74: 12575-12591

This action promulgates Performance Specification (PS) 16 for predictive emissions monitoring systems (PEMS). PS-16 provides testing requirements for assessing the acceptability of PEMS when they are initially installed. PS-16 will apply to any PEMS required in future rules in 40 C.F.R. Parts 60, 61, or 63, and in cases where a source petitions the EPA and receives approval to use a PEMS in lieu of another emissions monitoring system required under regulation. PEMS predict source emissions indirectly using process parameters instead of measuring them directly. This action also finalizes minor technical amendments. The only amendment to Part 63 is to add a sentence to the end of Section 1.1 in Method 303 in Appendix A.

Cost/Economic Impact:

There is no cost or economic impact from this action.

General Provisions – Performance Specification 16 for Predictive Emission Monitoring Systems, Testing and Monitoring Provisions

- **Part 63 Appendix A**

April 23, 2009 Volume 74: 18474-18476

This action is simply a minor technical correction to the formatting following paragraph 1.1 of Appendix A (Part 63 – Test Method).

Cost/Economic Impact:

There is no cost or economic impact from this action.

General – Name Change Amendment

➢ **Part 63 Appendix D**

June 25, 2009 Volume 74: 30228-30235

On January 18, 2009, the Office of Solid Waste (OSW) was reorganized and changed its name to the Office of Resource Conservation and Recovery (ORCR). This action amends section 1 in Appendix D to Part 63 to reflect this name change.

Cost/Economic Impact:

There is no cost or economic impact from this action.

Aluminum, Copper, & Other Nonferrous Foundries (Area Sources)

➢ **63.11544, 63.11553 Subpart ZZZZZZ (6Z)**

September 10, 2009 Volume 74: 46493-46495

This action makes technical corrections to regulatory text of the "Revision of Source Category List for Standards Under Section 112(k) of the Clean Air Act; National Emission Standards for Hazardous Air Pollutants: Area Source Standards for Aluminum, Copper, and Other Nonferrous Foundries," which was issued as a final rule on June 25, 2009. These technical corrections do not change the standards established by the rule or the level of health protection provided.

Cost/Economic Impact:

There are 16 Kansas facilities listed with the Kansas Department of Labor under the applicable industry codes for this rule; however, labor market information and EPA analyses indicate that these facilities likely fall below the 600 tons per year melt threshold for applicability. There is no cost or economic impact from this action.

Paints and Allied Products Manufacturing

➢ **63.11599, 63.11601-63.11603 Subpart CCCCCCC (7C)**

March 5, 2010 Volume 75: 10184-10186

This action clarifies regulatory text and does not change the level of health protection or the standards and other requirements established by the December 3, 2009, final rule.

Cost/Economic Impact:

There is no cost or economic impact from this action.

Paints and Allied Products Manufacturing

➢ **63.11607 Subpart CCCCCCC (7C)**

June 3, 2010 Volume 75: 31317-31320

This action amends the definition of "material containing hazardous air pollutants" to include non-carcinogens in quantities of 1.0 percent by mass or more. This part of the definition was inadvertently omitted in the December 3, 2009, final rule. This omission could potentially and erroneously include facilities as applicable to the rule when they should not be covered.

Cost/Economic Impact:

There is no cost or economic impact from this action.

Asphalt Processing and Asphalt Roofing Manufacturing Area Sources

➢ **63.11563-63.11564 Subpart AAAAAAA (7A)**

March 18, 2010 Volume 75: 12988-12989

This action corrects three typographical errors in the numbering of paragraphs that were found after signature of the December 2, 2009, final rule.

Cost/Economic Impact:

There is no cost or economic impact from this action.

Petroleum Refineries

- **63.646, 63.654-63.655 & Appendix Table 4 Subpart CC**

June 30, 2010 Volume 75: 37730-37731

This action corrects typographical errors and inadvertent errors in section references.

Cost/Economic Impact:

There is no cost or economic impact from this action.

APPENDIX B

The following amendments were published in the *Federal Register*; however, they are not delegable rules and are not being proposed for adoption by reference in the Kansas Air Quality Regulations:

Delegation of National Emission Standards for Hazardous Air Pollutants for Source Categories; - Arizona

- **63.99 Subpart E**

August 14, 2008 Volume 73: 47546-47550

This action finalizes updates to the Code of Federal Regulations (CFR) delegation tables to reflect the current delegation status of NESHAP in Arizona. This update does not include Kansas.

Delegation of National Emission Standards for Hazardous Air Pollutants for Source Categories - California

- **63.99 Subpart E**

March 25, 2009 Volume 74: 12591-12593

This action finalizes updates to the Code of Federal Regulations (CFR) delegation tables to reflect the current delegation status of NESHAP in California. This update does not include Kansas.

Amendment to Requirements for Providing Information on the Delegation of the Administrator's Authorities and Responsibilities for Certain States

- **63.99 Subpart E**

May 13, 2009 Volume 74: 22437-22456

This action finalizes updates to the Code of Federal Regulations (CFR) delegation tables to reflect the current delegation status of NESHAP in California. This update does not include Kansas.

Delegation of National Emission Standards for Hazardous Air Pollutants for the States of Arizona, California, Hawaii, and Nevada

- **61.04 Subpart A**

May 19, 2009 Volume 74: 23313-23328

This action finalizes updates to the Code of Federal Regulations (CFR) delegation tables to reflect the current delegation status of NESHAP in Arizona, California, Hawaii, and Nevada. This update does not include Kansas.

Change of Address for Region 4 State and Local Agencies; Technical Correction

- **61.04 Subpart A**

October 27, 2009 Volume 74: 55142-55145

This action corrects the addresses for EPA Region 4 State and local agencies in EPA regulations. This amendment does not affect the state of Kansas (Region 7).

Approval of the Clean Air Act, Section 112(l), Authority for Hazardous Air Pollutants - Massachusetts

- **63.14 Subpart A, 63.99 Subpart E**

November 23, 2009 Volume 74: 61037-61043

This action authorizes the state of Massachusetts to implement and enforce its Dry Cleaner Environmental Results Program and updates the delegations in the Code of Federal Regulations (CFR). This update does not include Kansas.

Approval of Section 112(l) Authority for Hazardous Air Pollutants – North Carolina

- **63.99 Subpart E**

December 4, 2009 Volume 74: 63613-63616

This action expands the North Carolina Department of Environment and Natural Resource's equivalency by permit program coverage to include all 32 sources in North Carolina subject to the plywood and composite wood products rule and updates the delegations in the Code of Federal Regulations (CFR). This update does not include Kansas.

Change of Address for Submission of Certain Reports; Technical Correction

- **61.04 Subpart A**

December 17, 2009 Volume 74: 66921-66923

This action corrects the addresses for the EPA Region 3 office and the EPA Region 3 states in the General Provisions section. This amendment does not affect the state of Kansas (Region 7).

Delegation of National Emission Standards for Hazardous Air Pollutants for Source Categories – Arizona and Nevada

- **63.99 Subpart E**

February 26, 2010 Volume 75: 8807-8813

This action finalizes updates to the Code of Federal Regulations (CFR) delegation tables to reflect the current delegation status of NESHAP in Arizona and Nevada. This update does not include Kansas.

Delegation of National Emission Standards for Hazardous Air Pollutants for Source Categories – Louisiana

- **61.04 Subpart A, 63.99 Subpart E**

April 14, 2010 Volume 75: 19252-19260

This action finalizes updates to the Code of Federal Regulations (CFR) delegation tables to reflect the current delegation status of NESHAP in Louisiana. This update does not include Kansas.

Approval of the Clean Air Act, Section 112(l), Authority for Hazardous Air Pollutants – Rhode Island

- **63.14 Subpart A, 63.99 Subpart E**

June 18, 2010 Volume 75: 34647-34653

This action authorizes the state of Massachusetts to implement and enforce RI Regulation No. 36 and the RI General Definitions Rule in place of the Halogenated Solvent NESHAP for organic solvent cleaning machines and updates the delegations in the Code of Federal Regulations (CFR). This update does not include Kansas.

The following subparts and provisions of 40 CFR Part 63 are excluded from adoption by reference because they are not delegated to state and local authorities:

Subpart A: 63.6(g), 63.6(h)(9), 63.7(e)(2)(ii) and (f), 63.8(f), and 63.10(f)
Subparts B, C, D, and E

The following subparts of 40 CFR Part 63 are excluded from adoption by reference due to a March 13, 2007 vacatur (D.C. Circuit 479 F. 3d 875, Sierra Club v. EPA) and the requirement in K.S.A. 2010 Supp. 65-3005(b)(1) that Kansas Air Quality Regulations "shall not be any more stringent, restrictive or expansive than those required under the federal clean air act, as amended":

Subpart JJJJJ NESHAP for Brick and Structural Clay Products Manufacturing
Subpart KKKKK NESHAP for Clay Ceramics Manufacturing

APPENDIX C

The following amendments for 40 CFR Part 63 Subpart ZZZZ were published in the *Federal Register*, however, they are not being proposed for adoption by reference in the Kansas Air Quality Regulations at this time. These amendments may be considered for adoption by reference in a future submittal package for New Source Performance Standards (NSPS), including standards for stationary internal combustion engines.

Reciprocating Internal Combustion Engines

- **63.6590, 63.6595, 63.6600-63.6605, 63.6612, 63.6620, 63.6625, 63.6640, 63.6645, 63.6650, 63.6655, 63.6660, 63.6665, 63.6675 & Tables 1a, 2a, 2b, 2c, 2d, 3-8 Subpart ZZZZ**

March 3, 2010 Volume 75: 9648-9690

This action promulgates national emission standards for hazardous air pollutants (NESHAP) for existing stationary compression ignition reciprocating internal combustion engines (CI RICE) with a site rating of less than or equal to 500 brake horsepower (HP) located at major sources, existing non-emergency CI engines with a site rating greater than 500 HP at major sources, and existing stationary CI RICE of any power rating located at area sources. EPA promulgated NESHAP for existing, new, and reconstructed stationary RICE greater than 500 HP located at major sources on June 15, 2004. EPA promulgated NESHAP for new and reconstructed stationary RICE that are located at area sources of HAP emissions and for new and reconstructed stationary RICE that have a site rating of less than or equal to 500 HP that are located at major sources of HAP emissions on January 18, 2008.

This final rule will limit emissions of HAP through emissions standards for carbon monoxide (CO) for existing stationary CI RICE. In addition to reducing HAP and CO, this rule will result in the reduction of PM emissions from existing stationary diesel engines. Aftertreatment technologies expected to be used to reduce HAP and CO emissions also reduce PM emissions from diesel engines. The final rule also requires the use of ultra low sulfur diesel (ULSD) for diesel-fueled stationary non-emergency CI engines greater than 300 HP with a displacement of less than 30 liters per cylinder, which is expected to result in lower emissions of sulfur oxides (SOx) and sulfate particulate from these engines.

Existing Stationary RICE at Major Sources: Numerical emission standards finalized in this action for stationary non-emergency CI RICE located at major sources are shown in the table below. Numerical emission standards are in units of ppm by volume, dry basis (ppmvd) or percent reduction.

Numerical Emission Standards for Existing Stationary CI RICE Located at Major Sources

Subcategory	Except during periods of startup
Non-Emergency CI 100≤HP≤300	230 ppmvd CO at 15% O2.
Non-Emergency CI 300<HP≤500	49 ppmvd CO at 15% O2 or 70% CO reduction.
Non-Emergency CI >500 HP	23 ppmvd CO at 15% O2 or 70% CO reduction.

In addition, owners and operators of existing stationary non-emergency CI engines greater than 300 HP with a displacement of less than 30 liters per cylinder located at major sources that use diesel fuel must use only diesel fuel having a maximum sulfur content of 15 ppm and either a minimum cetane index of 40 or a maximum aromatic content of 35 volume percent. Work practice standards are finalized by this rule for existing stationary emergency CI RICE less than or equal to 500 HP located at major sources and existing stationary non-emergency CI RICE less than 100 HP located at major sources and include standards for oil and filter changes, inspections, oil viscosity, and water content. EPA also includes additional capture and collection requirements to reduce metallic HAP emissions. For existing stationary non-emergency CI engines greater than 300 HP at major sources, owners and operators must do one of the following if the engine is not already equipped with a closed crankcase ventilation system: (1) install a closed crankcase ventilation system that prevents crankcase emissions from being emitted to the

atmosphere, or (2) install an open crankcase filtration emission control system that reduces emissions from the crankcase by filtering the exhaust stream to remove oil mist, particulates, and metals.

Existing Stationary RICE at Area Sources: Numerical emission standards finalized in this action for stationary CI RICE located at area sources are shown in the table below. Existing stationary emergency engines at area sources located at residential, commercial, or institutional facilities are not part of the source category and are not subject to any requirements under this rule.

Numerical Emission Standards for Existing Stationary RICE Located at Area Sources

Subcategory	Except during periods of startup
Non-Emergency CI 300<HP≤500	49 ppmvd CO at 15% O2 or 70% CO reduction.
Non-Emergency CI >500 HP	23 ppmvd CO at 15% O2 or 70% CO reduction.

In addition, owners and operators of existing stationary non-emergency CI engines greater than 300 HP with a displacement of less than 30 liters per cylinder located at major sources that use diesel fuel must use only diesel fuel having a maximum sulfur content of 15 ppm and either a minimum cetane index of 40 or a maximum aromatic content of 35 volume percent. Work practice standards are finalized by this rule for existing stationary emergency CI RICE located at area sources and existing stationary non-emergency CI RICE less than or equal to 300 HP located at area sources and include standards for oil and filter changes and inspections. In order to reduce metallic HAP emissions, existing stationary non-emergency CI engines greater than 300 HP at area sources must do one of the following if the engine is not already equipped with a closed crankcase ventilation system: (1) install a closed crankcase ventilation system that prevents crankcase emissions from being emitted to the atmosphere, or (2) install an open crankcase filtration emission control system that reduces emissions from the crankcase by filtering the exhaust stream to remove oil mist, particulates, and metals.

Startup Requirements: Owners and operators must minimize the engine's time spent at idle and minimize the engine's startup to a period needed for appropriate and safe loading of the engine, not to exceed 30 minutes, after which time the engine must meet the otherwise applicable emission standards. These requirements will limit the HAP emissions during periods of engine startup. Owners and operators may petition for approval of an alternative work practice.

Operating Limitations: Owners and operators of CI RICE greater than 500 HP that are equipped with oxidation catalyst must maintain the catalyst so that the pressure drop across the catalyst does not change by more than 2 inches of water from the pressure drop across the catalyst that was measured during the initial performance test. Owners and operators must also maintain the temperature of the exhaust so that the catalyst inlet temperature is between 450 and 1350 degrees Fahrenheit (°F). Owners and operators may petition to operate below the temperature range specified by the rule but must demonstrate why it is operationally necessary and appropriate. Owners and operators of existing stationary non-emergency CI RICE greater than 300 HP meeting the requirement to use open or closed crankcases must follow the manufacturer's specified maintenance requirements or may request approval of different maintenance requirements that are as protective.

Compliance: Owners and operators of CI RICE that are subject to management practices must develop a maintenance plan that specifies how the management practices will be met. Initial performance tests are required for engines that are subject to numerical emission standards. For engines using an oxidation catalyst, sources must continuously monitor and record the catalyst inlet temperature and measure the pressure drop across the catalyst monthly. For engines not using an oxidation catalyst, owners and operators must continuously monitor and record the approved operating parameters (if any). Reporting and recordkeeping requirements include initial notification, notification of performance test, notification of compliance, manufacturer's recommended maintenance procedures for crankcase systems, operating hours, oil and filter change records, and inspection and repair documentation.

Cost/Economic Impact:

The EPA estimates that there are over 900,000 stationary CI engines nationwide that will be subject to this rule. The table below identifies industries in which CI RICE are found and includes a count of Kansas facilities:

Industry Category	Kansas Facilities (2007 Economic Census)
Electric Power Generation, Transmission, and Distribution (NAICS 2211)	142
Oil and Gas Extraction (NAICS 211111)	302
Pipeline Transportation of Natural Gas (NAICS 211112)	7
Natural Gas Transmission (NAICS 48621)	74
Welding Equipment (NAICS 335312 & 333992)	5
General Medical and Surgical Hospitals (NAICS 622110)	134
	Kansas Number of Irrigation Points of Diversion Supplied by Diesel-Fueled Energy
Irrigation Sets	4611**

**KDA provided data from the 2008 water use reports.

Most of the engines in these industry categories, other than irrigation pump engines, are already regulated under existing maximum achievable control technology (MACT) requirements. Irrigation service providers have indicated that most irrigation engines are less than 250 HP and therefore would be subject only to management practices, such as inspection and maintenance, and not to emissions testing. Most new diesel irrigation engines sold in Kansas are between 100 and 200 HP and cost between $10,000 and $15,000.

For engines that will need to add control technology to meet the numerical emission standards, the EPA analysis uses the following equations to estimate capital and annual control costs:

Technology	Capital Cost (2008 $)	Annual Cost (2008 $)
Diesel Oxidation Catalyst (DOC)	$27.4 x HP - $939	$4.99 x HP + $480
Open Crankcase Ventilation (OCV)	$0.26 x HP + $997	$0.065 x HP + $254

(Uses cost data obtained from a California Resources Board (CARB) study).

Non-emergency engines greater than 500 HP that have add-on controls are required to use a continuous parametric monitoring system (CPMS) to monitor catalyst inlet temperature and pressure drop across the catalyst. The estimated capital cost for a CPMS for a large engine facility is $531. Initial performance testing required for nonemergency engines greater than 100 HP at major sources and greater than 300 HP at area sources is estimated at $1,165 per day of testing or $583 per engine using a portable analyzer (assuming two engines could be tested per day). Costs for performing management practices for nonemergency CI engines less than 100 HP at major sources and less than or equal to 300 HP at area sources is assumed to be negligible as these practices are based on engine maintenance procedures that owners and operators already perform regardless of the regulation. Annualized compliance costs are estimated to be no more than 0.07 percent of total revenue.

For a Kansas perspective of compliance costs for the electric power generation and distribution sector, Kansas municipal utilities have evaluated the cost of retrofitting their existing RICE units and have shared with KDHE estimates ranging between $43,000 and $175,000 per unit.

➢ **63.6590 Subpart ZZZZ**

June 30, 2010 Volume 75: 37732-37733

A March 3, 2010, document amending the emission standards for compression ignition reciprocating internal combustion engines inadvertently removed paragraphs from the regulation. This action corrects this error.

Cost/Economic Impact:

There is no cost or economic impact from this action.